

Mineral Industry Surveys

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IRON ORE IN APRIL 2005

U.S. mine production of iron ore in April 2005, on a daily average basis, was 2.8% higher than that of the prior month, according to the U.S. Geological Survey. Average daily production was 141,000 metric tons per day (t/d), 3,800 t/d more than the figure for March 2005.

Shipments in April 2005, on a daily basis, were almost double those of March 2005, because the Upper Lakes shipping season did not begin until mid-March. Mine stocks at the end of April were 0.7 million metric tons less than the corresponding stocks figure on March 31, a decrease of 8.6%.

U.S. imports of iron ore in March 2005 were 2.5 times greater than exports, with imports exceeding exports by 511,000 metric tons.

Prices.—Latin American steel traders indicated that steelmakers in a number of countries were considering joint efforts to renegotiate 2005 iron ore prices. The possibility of this joint effort is being fueled by recent steel price reductions and the prospect of further steel product price reductions as inventories continue to build (Metal Bulletin, 2005).

Exploration and Development.—Fortescue Metals Group Ltd's (FMG) iron ore project in Western Australia's Pilbara region (see Iron Ore in February 2005) continued along its controversial path toward development (Barta, 2005). Details of ore reserves provided by FMG were questioned by the Australian Stock Exchange, while the company increased its drilling budget for the quarter beginning in April by A\$4 million to A\$11 million (Mining Journal, 2005).

FMG recently upgraded its resource estimate with more than one-half of the 1.14 billion metric tons of ore being moved from inferred to indicated reserves under the Joint Ore Reserves Committee (JORC) classification system. An aggressive drilling campaign is being followed to add as much reserves as possible to the measured and indicated classification for use in the definitive feasibility study scheduled for completion by yearend (Sydney Morning Herald, The, 2005¹).

Domestic Update.—Keewatin Taconite (U.S. Steel

Corporation) planned to add coal and petroleum coke as alternative fuel to its current natural gas system and a wet scrubber system at its taconite pelletizing plant owing to high natural gas prices, while the scrubber will remove dust from air emissions. The scrubber is expected to be operational in September, followed by the alternative fuel system in November at a combined cost of \$38 million.

Minntac (U.S. Steel Corp.) announced improvements including a \$5-million cyclone preclassification project to reduce flotation chemical needs, pellet balling process enhancements, and a planned \$22-million scrubber project. Pellet capacity expansion at both Keewatin Taconite and Minntac was being considered to provide feed for a blast furnace expansion underway at the parent company's Gary (IN) Works. The \$260-million rebuilding of the No. 13 blast furnace, planned for completion by November 2005, was expected to raise furnace capacity by more than 1,960 t/d to 8,350 t/d (Kirk, 2005; Forsaker and others, 2005).

References Cited

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Kirk, William, 2005, Global iron ore round-up: Skillings Mining Review, v. 94, no. 6, June, p. 10-11.
Metal Bulletin, 2005, Mills may try to renegotiate iron ore prices, traders claim: Metal Bulletin, no. 8895, May 30, p. 27.
Mining Journal, 2005, Fortescue chided by ASX: Mining Journal, April 29, p. 9.

Internet Reference Cited

- Sydney Morning Herald, The, 2005 (June 2), Fortescue shares up on resource upgrade, accessed June 2, 2005, via URL <http://www.smh.com.au/news>.

¹A reference that includes a section mark (§) is found in the Internet Reference Cited section.

TABLE 1
U.S. PRODUCTION AND SHIPMENTS OF IRON ORE^{1,2}
(Exclusive of ore containing 5% or more of manganese)

(Thousand metric tons)

Period	Production		Shipments	
	Monthly	Year to date	Monthly	Year to date
2004:				
April	4,630	17,300	5,260	13,100
May	4,800	22,100	5,300	18,400
June	4,470	26,500	5,880	24,200
July	4,950	31,500	5,550	29,800
August	4,500	36,000	5,670	35,500
September	4,420	40,400	5,420	40,900
October	5,110	45,500	4,780	45,700
November	4,730	50,200	5,110	50,800
December	4,450	54,700	5,150	55,900
2005:				
January	4,420	4,420	3,350	3,350
February	3,870	8,290	1,150	4,500
March	4,240	12,500	2,610	7,110
April	4,220	16,800	4,940	12,100

¹Data are rounded to no more than three significant digits.

²Excludes byproduct ores.

TABLE 2
U.S. PRODUCTION, SHIPMENTS, AND STOCKS OF IRON ORE IN APRIL^{1,2}

(Thousand metric tons)

State	Production		Shipments ³		Stocks ⁴	
	2005	2004	2005	2004	2005	2004
Michigan	1,100	1,180	1,030	1,270	1,970	1,970
Minnesota	3,120	3,460	3,910	3,990	5,720	6,400
Total	4,220	4,630	4,940	5,260	7,690	8,360

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Excludes byproduct ore.

³Includes rail and vessel.

⁴Includes mines, plants, and loading docks.

TABLE 3
CANADA: SHIPMENTS OF IRON ORE¹

(Thousand dry metric tons)

Period	Newfoundland	Quebec	British Columbia	Total
2004:				
March	1,250	1,030	6	2,290
April	1,650	858	5	2,520
May	1,920	1,740	7	3,660
June	1,970	981	8	2,960
July	1,710	1,380	10	3,110
August	698	1,120	8	1,830
September	124	1,220	5	1,350
October	635	1,570	7	2,210
November	1,390	958	10	2,360
December	1,370	944	9	2,330
Year total	14,900	13,200	87	28,300
2005:				
January	1,210	1,070	8	2,280
February	928	748	8	1,680
March	1,460	873	10	2,340

¹Data are rounded to no more than three significant digits; may not add to totals shown.

Source: Natural Resources Canada.

TABLE 4
PRODUCTION OF PIG IRON AND RAW STEEL IN THE UNITED STATES, BY TYPE OF FURNACE^{1, 2}

(Thousand metric tons)

Period	Pig iron production, blast furnace		Raw steel production			
	Monthly	Year to date	Basic oxygen furnace ³		Electric furnace	
			Monthly	Year to date	Monthly	Year to date
2004:						
March	3,630	10,200	4,100	11,500	4,270	12,300
April	3,400	13,600	3,840	15,300	4,230	16,500
May	3,400	17,000	3,780	19,100	4,560	21,100
June	3,390	20,400	3,790	22,900	4,340	25,400
July	3,370	23,700	3,800	26,700	5,010	30,400
August	3,490	27,200	3,830	30,500	4,620	35,100
September	3,400	30,600	3,020	33,500	5,370	40,400
October	3,570	34,200	3,030	36,600	5,630	46,100
November	2,140	36,300	5,520	42,100	2,580	48,600
December	4,270	40,600	3,810	45,900	4,390	53,000
2005:						
January	3,420	3,420	3,890	3,890	4,390	4,390
February	3,260	6,680	3,710	7,590	3,930	8,320
March	3,660	10,300	4,040	11,600	4,150	12,500

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Inconsistencies in 2004 year-to-date figures for pig iron and raw steel production reflect consolidated revisions for previous months.

³Raw steel production figures for the basic oxygen process are usually greater than the corresponding pig iron production figures because scrap is routinely melted in the basic oxygen furnace together with the molten pig iron.

TABLE 5
U.S. EXPORTS OF IRON ORE, BY COUNTRY OF DESTINATION AND TYPE^{1,2}

(Thousand metric tons)

Country of destination and type of product	2004		2005			
	4th quarter	January-December	January	February	March	1st quarter
Canada	1,710	7,830	807	139	338	1,280
China	26	297	--	--	--	--
Mexico	2	4	(3)	(3)	(3)	1
Slovakia	--	187	--	--	--	--
Trinidad and Tobago	--	29	--	--	--	--
Other	1	53	(3)	(3)	(3)	(3)
Total	1,740	8,400	807	139	338	1,280
Pellets	1,700	8,100	806	137	336	1,280
Concentrates	2	25	(3)	1	1	2
Direct shipping ores	30	264	(3)	(3)	(3)	(3)
Other	3	6	(3)	1	1	2
Total	1,740	8,400	807	139	338	1,280

-- Zero.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Includes agglomerates.

³Less than 1/2 unit.

Source: U.S. Census Bureau.

TABLE 6
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE, BY COUNTRY AND TYPE^{1,2}
(Exclusive of ore containing 20% or more manganese)

Country of origin and type of product	2005					2004
	March		Year to date			January-March
	Thousand metric tons	Value ³ (thousand dollars)	Thousand metric tons	Value ³ (thousand dollars)	Value ³ (dollars per ton)	Thousand metric tons
Australia	--	--	--	--	--	(4)
Brazil	430	16,900	1,200	40,400	33.59	1,170
Canada	365	17,700	669	29,600	44.28	627
Chile	50	2,210	131	4,350	33.06	59
China	--	--	(4)	2	263.13 ⁵	--
Finland	3	144	3	144	50.07	4
Greece	--	--	13	243	18.80	--
Mexico	2	50	3	76	25.00	26
Paraguay	--	--	4	68	16.80	--
Peru	--	--	(4)	4	18.04	15
Russia	--	--	99	8,550	86.00 ⁶	--
South Africa	--	--	--	--	--	(4)
Spain	--	--	--	--	--	(4)
Trinidad and Tobago	--	--	368	10,700	29.09	--
Venezuela	--	--	14	499	36.00	21
Total	849	36,900	2,510	94,600	37.75	1,930
Concentrates	58	2,410	140	4,540	32.55	128
Coarse ores	3	144	21	710	34.21	(4)
Fine ores	214	6,640	953	26,100	27.44	541
Pellets	542	26,500	1,360	61,900	45.51	1,230
Briquettes	--	--	--	--	--	21
Other agglomerates	32	1,290	33	1,320	39.79	(4)
Roasted pyrites	--	--	--	--	--	4
Total	849	36,900	2,510	94,600	37.75	1,930

-- Zero.

¹Data, with the exception of the dollars per ton column, are rounded to no more than three significant digits; may not add to totals shown.

²Includes agglomerates.

³Customs value. Excludes international freight and insurance charges.

⁴Less than 1/2 unit.

⁵May include hot-briquetted iron, direct-reduced iron, or other specialty product.

⁶All or part of these data have been referred to the U.S. Census Bureau for verification.

Source: U.S. Census Bureau.

TABLE 7
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE IN MARCH 2005^{1,2}
(Exclusive of ore containing 20% or more manganese)

(Thousand metric tons)

Country of origin	Type of product						Total
	Concentrates	Coarse ores	Fine ores	Pellets	Briquettes and other agglomerates	Roasted pyrites	
Brazil	--	--	79	351	--	--	430
Canada	8	--	136	191	30	--	365
Chile	50	--	--	--	--	--	50
Finland	--	3	--	--	--	--	3
Mexico	--	--	--	--	2	--	2
Total	58	3	214	542	32	--	849

-- Zero.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Includes agglomerates.

Source: U.S. Census Bureau.

TABLE 8
U.S. IMPORTS FOR CONSUMPTION OF PELLETS, BY COUNTRY¹

Country of origin	2005					2004
	March		Year to date			January-March
	Thousand metric tons	Value ² (thousand dollars)	Thousand metric tons	Value ² (thousand dollars)	Value ² (dollars per ton)	Thousand metric tons
Brazil	351	15,200	840	32,800	39.12	676
Canada	191	11,300	421	20,500	48.70	558
Russia	--	--	99	8,550	86.00	--
Total	542	26,500	1,360	61,900	45.51	1,230

-- Zero.

¹Data, with the exception of the dollars per ton column, are rounded to no more than three significant digits; may not add to totals shown.

²Customs value. Excludes international freight and insurance charges.

Source: U.S. Census Bureau.

TABLE 9
U.S. IMPORTS FOR CONSUMPTION OF IRON ORE,
BY CUSTOMS DISTRICT^{1, 2}
(Exclusive of ore containing 20% or more manganese)

(Thousand metric tons)

Customs district (code no.)	March	January-March	
	2005	2005	2004
Baltimore, MD (13)	284	870	886
Buffalo, NY (09)	2	3	1
Chicago, IL (39)	--	26	(3)
Cleveland, OH (41)	23	23	23
Great Falls, MT (33)	--	--	(3)
Houston-Galveston, TX (53)	--	--	28
Los Angeles, CA (27)	--	(3)	--
Mobile, AL (19)	--	61	21
New Orleans, LA (20)	538	1,520	965
Nogales, AZ (26)	2	3	(3)
Philadelphia, PA (11)	--	--	4
San Francisco, CA (28)	--	4	--
Total	849	2,510	1,930

-- Zero.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Includes agglomerates.

³Less than 1/2 unit.

Source: U.S. Census Bureau.

TABLE 10
U.S. IMPORTS FOR CONSUMPTION OF PELLETS,
BY CUSTOMS DISTRICT¹

(Thousand metric tons)

Customs district (code no.)	March	January-March	
	2005	2005	2004
Baltimore, MD (13)	167	470	319
Chicago, IL (39)	--	26	--
Cleveland, OH (41)	23	23	23
Houston-Galveston, TX (53)	--	--	28
Mobile, AL (19)	--	61	--
New Orleans, LA (20)	351	779	865
Total	542	1,360	1,230

-- Zero.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

Source: U.S. Census Bureau.